

ASSEMBLY BILL

No. 1320

Introduced by Assembly Member Dutra

February 21, 2003

An act to amend Section 99314.6 of, and to add and repeal Section 99268.17 of, the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1320, as introduced, Dutra. Transportation: cost recovery and fund allocation.

Existing law authorizes operators to file specified claims for operating costs with a transportation planning agency.

This bill would until January 1, 2008, exclude from operating costs when calculating fare revenue ratios, specified expenses to the extent they exceed 125% of the operator's costs in the prior year.

Existing law provides that funds in the State Transportation Fund contained in the Transportation Planning and Development Account shall be available, when appropriated by the Legislature, only for specified transportation planning and mass transportation purposes. Under existing law, funds from this account are allocated by the Controller to each transportation planning agency and county transportation commission and the San Diego Metropolitan Transit Development Board. Existing law precludes this allocation for operating costs, however, to an operator that fails to meet specified efficiency standards, which are based on the operating cost per revenue vehicle hour. Under existing law, a transportation planning agency, a county transportation commission, and the San Diego Metropolitan Transit Development Board may adjust the calculation of operating costs and revenue vehicle hours based on the exclusion of cost increases

beyond the change in the Consumer Price Index for specified items and on the exclusion of startup costs for new services.

This bill would require a transportation planning agency, a county transportation commission, and the San Diego Metropolitan Transit Board to adjust the calculation of operating costs and vehicle hours for purposes of the efficiency standards. The bill would also delete the Consumer Price Index as the cost increase measurement standard and would, instead, exclude cost increases in excess of 125% of the operator's cost in the prior year for specified items. The bill would add to those items costs for power and settlement payments.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 99268.17 is added to the Public Utilities
2 Code, to read:

3 99268.17. (a) Notwithstanding subdivision (a) of Section
4 99247, the following costs shall be excluded from the definition
5 of operating cost for the purposes of calculating any required ratios
6 of fare revenues to operating cost specified in this article:

7 (1) The additional operating costs required to provide
8 comparable complementary paratransit service as required by
9 Section 37.121 of Title 49 of the Code of Federal Regulations,
10 pursuant to the Americans with Disabilities Act of 1990 (42 U.S.C.
11 Sec. 12101 et seq.), as identified in the operator's paratransit plan
12 pursuant to Section 37.139 of Title 49 of the Code of Federal
13 Regulations that exceed 125 percent of the operator's costs
14 required to provide comparable complementary paratransit
15 service in the prior year.

16 (2) The additional costs of liability insurance premiums and
17 payments in settlement of claims arising out of the operator's
18 liability that exceed 125 percent of the operator's liability
19 insurance premiums and payments in settlement of claims in the
20 prior year.

21 (3) The additional costs of power and fuel, including diesel
22 fuel, gasoline, natural gas, and electricity, that exceed 125 percent
23 of the operator's costs for power and fuel in the prior year.

24 (b) This section shall remain in effect only until January 1,
25 2008, and as of that date is repealed, unless a later enacted statute,

1 which is enacted before January 1, 2008, deletes or extends that
2 date.

3 SEC. 2. Section 99314.6 of the Public Utilities Code is
4 amended to read:

5 99314.6. Except as provided in Section 99314.7, the
6 following eligibility standards apply:

7 (a) Except as provided in subdivision (b), funds shall not be
8 allocated for operating purposes pursuant to Sections 99313 and
9 99314 to an operator unless the operator meets either of the
10 following efficiency standards:

11 (1) The operator's total operating cost per revenue vehicle hour
12 in the latest year for which audited data are available does not
13 exceed the sum of the preceding year's total operating cost per
14 revenue vehicle hour and an amount equal to the product of the
15 percentage change in the Consumer Price Index for the same
16 period multiplied by the preceding year's total operating cost per
17 revenue vehicle hour.

18 (2) The operator's average total operating cost per revenue
19 vehicle hour in the latest three years for which audited data are
20 available does not exceed the sum of the average of the total
21 operating cost per revenue vehicle hour in the three years
22 preceding the latest year for which audited data are available and
23 an amount equal to the product of the average percentage change
24 in the Consumer Price Index for the same period multiplied by the
25 average total operating cost per revenue vehicle hour in the same
26 three years.

27 (b) The transportation planning agency, county transportation
28 commission, or the San Diego Metropolitan Transit Development
29 Board, as the case may be, ~~may~~ *shall* adjust the calculation of
30 operating costs and revenue vehicle hours pursuant to subdivision
31 (a) to account for either or both of the following factors ~~as it deems~~
32 ~~appropriate to encourage progress in achieving the objectives of~~
33 ~~efficiency, effectiveness, and productivity pursuant to Section~~
34 ~~99244:~~

35 (1) ~~Exclusion of costs increases beyond the change in the~~
36 ~~Consumer Price Index for fuel, alternative in excess of 125 percent~~
37 ~~of the operator's costs in the prior year for the following costs:~~

38 (A) *Fuel.*

39 (B) *Alternative fuel programs, insurance, or state.*

40 (C) *Power, including electricity.*

1 (D) *Insurance premiums.*

2 (E) *Payments in settlement of claims arising out of the*
3 *operator's liability.*

4 (F) *State or federal mandates, including the additional*
5 *operating costs required to provide comparable complementary*
6 *paratransit service as required by Section 37.121 of Title 49 of the*
7 *Code of Federal Regulations, pursuant to the Americans with*
8 *Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as*
9 *identified in the operator's paratransit plan pursuant to Section*
10 *37.139 of Title 49 of the Code of Federal Regulations.*

11 (2) Exclusion of startup costs for new services for a period of
12 not more than two years.

13 (c) Funds withheld from allocation to an operator pursuant to
14 subdivision (a) shall be retained by the transportation planning
15 agency, county transportation commission, or the San Diego
16 Metropolitan Transit Development Board, as the case may be, for
17 reallocation to that operator for two years following the year of
18 ineligibility. In a year in which an operator's funds are allocated
19 pursuant to subdivision (a), funds withheld from allocation during
20 a preceding year shall also be allocated. Funds not allocated before
21 the commencement of the third year following the year of
22 ineligibility shall be reallocated to cost-effective high priority
23 regional transit activities, as determined by the transportation
24 planning agency, county transportation commission, or the San
25 Diego Metropolitan Transit Development Board, as the case may
26 be. If that agency or commission, or the board, determines that no
27 cost-effective high priority regional transit activity exists, the
28 unallocated funds shall revert to the Controller for reallocation.

29 (d) As used in this section, the following terms have the
30 following meanings:

31 (1) "Operating cost" means the total operating cost as reported
32 by the operator under the Uniform System of Accounts and
33 Records, pursuant to Section 99243 and subdivision (a) of Section
34 99247.

35 (2) "Revenue vehicle hours" has the same meaning as
36 "vehicle service hours," as defined in subdivision (h) of Section
37 99247.

38 (3) "Consumer Price Index," as applied to an operator, is the
39 regional Consumer Price Index for that operator's region, as
40 published by the United States Bureau of Labor Statistics. If a

1 regional index is not published, the index for the State of
2 California applies.

3 (4) “New service” has the same meaning as “extension of
4 public transportation services” as defined in Section 99268.8.

5 (e) The restrictions in this section do not apply to allocations
6 made for capital purposes.

7 ~~(f) The Legislature finds and declares that the Loma Prieta~~
8 ~~earthquake of 1989 caused damage to commercial property and~~
9 ~~employment losses, with consequent reductions in sales tax~~
10 ~~revenues, within the Santa Cruz Metropolitan Transit District to~~
11 ~~the economic detriment of that district. Accordingly, that district’s~~
12 ~~exemption from this section, as initially provided for by Section~~
13 ~~4 of Chapter 35 of the Statutes of 1991, is reinstated and shall~~
14 ~~continue until July 1, 1998; therefore, the district is exempt from~~
15 ~~this section for the 1995–96, 1996–97, and 1997–98 fiscal years.~~

